



...a human services organization

July 14, 2004

Michael K. Powell
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: MB Docket No. 04-207

Dear Chairman Powell:

I am the President of the Cuban American National Council, a non-profit organization providing human services to persons in need from all racial and ethnic groups. CNC assists individuals become self reliant and builds bridges among America's diverse communities.

I am advocating the concern on the "a la carte" cable proposal currently under debate in Congress, on behalf of the Hispanics and other minorities in the United States. Its implementation will result in higher prices and ultimately the demise of ethnic, foreign-language and specialty channels that are vital to our cable system and to the American public.

Most basic cable networks rely on advertising for a significant portion of their revenue. Without it, they must rely on licensing agreements as their base for profit. The costs of licensing agreements are generally passed onto consumers.

Under the "a la carte system," consumers would be able to choose and pay for only the channels they watch. This idea initially sounds good. However, channels that have more specialized audiences will experience a decline in viewers. A decline in viewers means less money from advertising, decreased diversity and quality of programming and higher costs passed onto consumers.

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For too long, African-Americans, Hispanics and other minorities did not have programming that reflected their cultures and life experiences available. The explosion of cable programming over the past 20 years has provided numerous channels that reflect the diversity and experiences of all Americans. The "a la carte" system would destroy all progress we have made in cable programming to date.

Further, these groups will be further marginalized due to the inevitable increase in overall system costs, which would require all consumers to have addressable converters to access "a la carte" programming. Fewer than half of U.S. cable households today subscribe to services requiring such converters. Thus, for the tens of millions of customers who rely on "cable-ready" television sets, there could potentially be a 30% increase in the cost of the equipment alone in addition to the added costs from the channel fees.

Tell Congress that you do not support the "a la carte" system. Ensure the future of our diverse cable programming line-up.

Sincerely,

Guarione M. Diaz
President

GMD/cs